

Lost Wages Assistance

On Aug. 8, President Trump signed a Presidential Memorandum making grant funding available to states through the U.S. Department of Homeland Security's Federal Emergency Management Agency (FEMA) under the Stafford Act. The Memorandum allows states to offer additional "lost wages assistance" benefits to workers unemployed due to COVID-19 who receive at least \$100 in unemployment benefits per week. The grant will cover \$300 per week for claimants who qualify. Benefits will be available from Aug. 1 through Dec. 27, or when the balance in FEMA's Disaster Relief Funds drops to \$25 billion, whichever occurs first. Funding for these benefits would also terminate upon the enactment of legislation providing an alternative benefit.

Governor Little announced Idaho will participate in the program and directed the Idaho Department of Labor to identify ways to ensure the \$300 per week in additional benefits is also provided to individuals who receive less than \$100 per week in unemployment benefits. In Idaho, the minimum weekly benefit amount is \$72 so low wage earners will not be eligible for the federally funded Lost Wages Assistance (LWA) program.

There are strict federal prohibitions on using the unemployment insurance trust fund or unemployment insurance grants to pay for any part of the Lost Wages Assistance program. The Presidential Memorandum encourages the use of Coronavirus Relief Funds under Title V of the CARES Act to supplement the federal benefit. Labor is requesting CFAC consider allocating CARES Act funding to create an Idaho Lost Wages Assistance program to ensure that Idahoans with a weekly benefit amount below \$100 can also receive the additional \$300 weekly benefit.

The Governor will reevaluate the state's participation in the program after five weeks of assistance. The number of eligible Idahoans will fluctuate on a weekly basis depending on the number of claimants who qualify for unemployment benefits and self-attest to being unemployed due to COVID-19. Labor is requesting an allocation of \$15 million to provide a \$300 weekly benefit to low income Idahoans through the duration of the federal LWA program.

Since no unemployment insurance administrative funds may be used to implement the state benefit, Labor requests the ability to charge up to \$50,000 to pay for the necessary programming changes to our benefits system and other administrative costs. The state must also provide a 25% match to receive federal funds granted to administer the federal program. Labor is asking for CARES Act funding to cover the required state match.

Labor requests the ability to draw down funds to meet the daily requirement to pay claims and will seek the reimbursement of administrative funds; the combination of these will not exceed \$15 million.